



# Fundamentals of Marketing

Chapter 1 Sec. 3





# Section 1.3 Fundamentals of Marketing

## What You'll Learn

- Describe the concept of market
- Differentiate consumer and industrial markets
- Describe market share
- What target marketing is
- The four P's of the marketing mix



- Market – all potential customers who have the ability and willingness to buy





# Consumer Markets

- Consist of consumers who purchase goods and services for personal use.





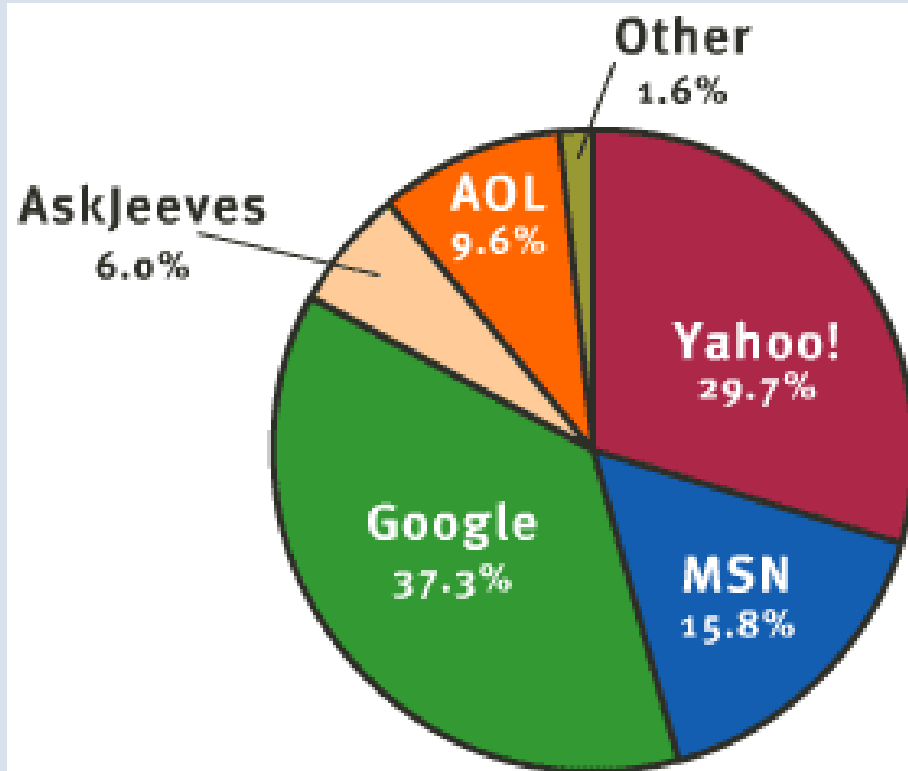
# Industrial Markets

- Business-to-business (B-to B) markets include all businesses that buy products for use in their operations.



# Market Share

- A company's percentage of the total sales volume generated by all companies that compete in a given market.



\*SOURCE - ComScore Media Metrix, Oct. 3, 2005



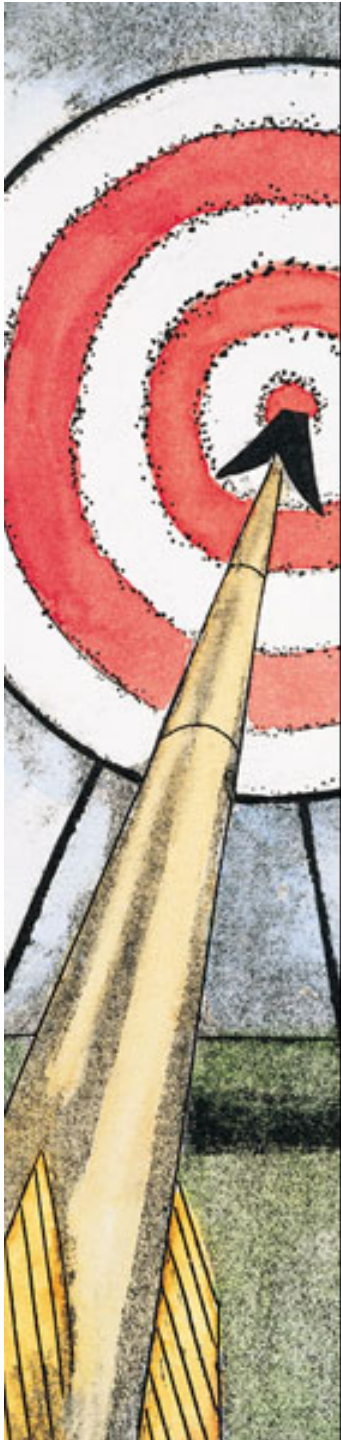


# Target Marketing

Focusing all decisions on a very specific group of people who you want to reach.

# Customer Profile

- To develop a clear picture of their target market, businesses create a customer profile.
- It lists information about the target market, such as age, income level, occupation, attitudes, lifestyle, and geographic residence







- Customers – people who buy the product
- Consumers – people who actually use the product



Is mom the customer or the consumer? The kids?



# Marketing Mix

Basic marketing strategies  
– the four P's

- Product
- Place
- Price
- Promotion



# Product Strategies

- What product to make
- How to package it
- What brand name to use
- What image to project





# Place Strategies

- How and where a product will be distributed.



# Price Strategies

- Reflect what customers are willing and able to pay.





# Promotion Strategies

- How potential customers will be told about the new product
- What the message will be
- When and where it will be delivered
- What inducements are there to buy

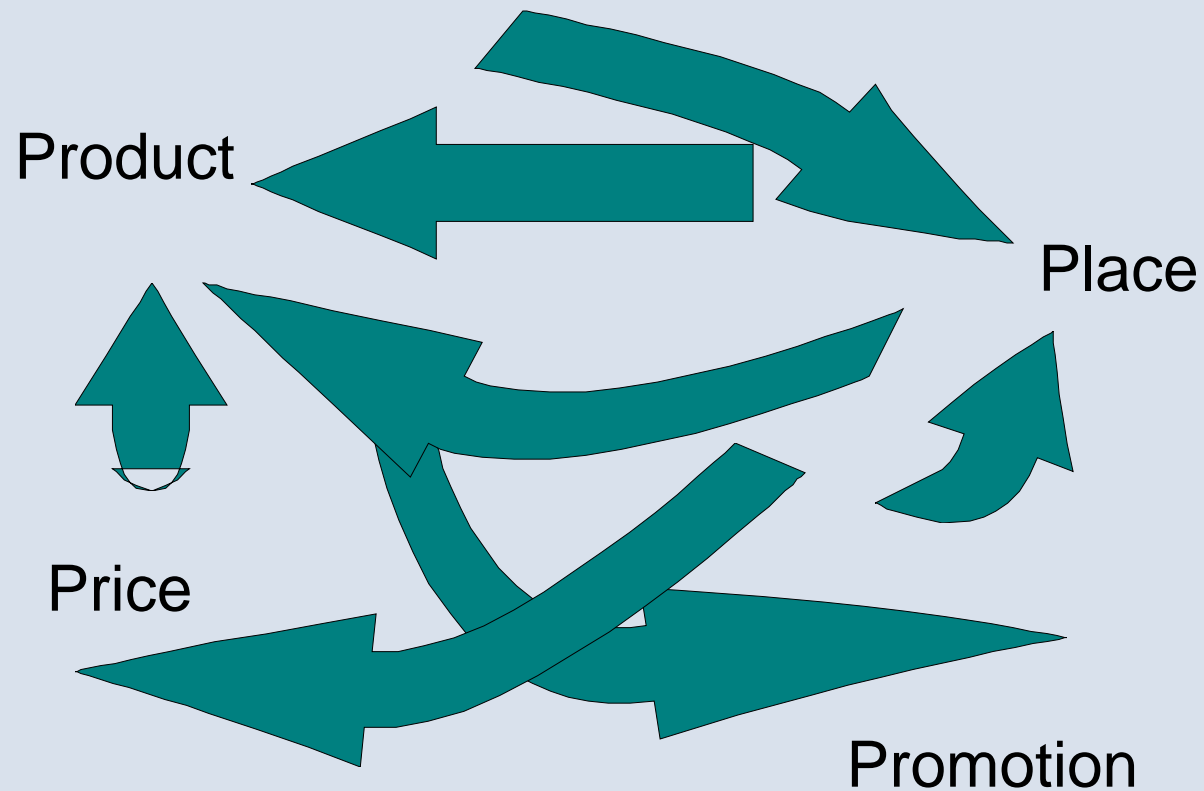






# The Marketing Mix

The elements are interconnected



# The Marketing Mix – The 4 P's

- Contains countless alternatives.
- Management must select a combination of marketing mix decisions that will satisfy target markets and achieve **organizational goals**.

